

Introduced by Senator Johnson

February 21, 2003

An act to amend Section 25000.9 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

SB 743, as introduced, Johnson. Alcoholic beverages.

The Alcoholic Beverage Control Act licenses and regulates beer manufacturers and wholesalers, and provides that a beer manufacturer, who unreasonably withholds consent or unreasonably denies approval of a sale, transfer, or assignment of any ownership interest in a beer wholesaler's business with respect to that manufacturer's brand or brands, shall be liable in damages to the beer wholesaler, as specified.

This bill would make a technical, nonsubstantive change in this provision.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 25000.9 of the Business and Professions
2 Code is amended to read:
3 25000.9. (a) Any beer manufacturer who unreasonably
4 withholds consent or unreasonably denies approval of a sale,
5 transfer, or assignment of any ownership interest in a beer
6 wholesaler's business with respect to that manufacturer's brand or
7 brands, shall be liable in damages to the beer wholesaler.
8 Recoverable damages under this section shall not exceed the *sum*
9 of compensatory damages sustained by the wholesaler and the



1 wholesaler's costs of suit. The fair market value of the beer
2 wholesaler's business shall include, but is not limited to, its
3 goodwill, if any.

4 (b) If a beer wholesaler has been paid a consideration by a
5 successor wholesaler for the sale, transfer, or assignment of the
6 beer wholesaler's interest in the sale or distribution of the affected
7 brand or brands, the beer manufacturer shall be liable only for
8 compensatory damages in an amount reflecting the difference in
9 the amount already paid to the beer wholesaler, and the fair market
10 value of the beer wholesaler's business with respect to the affected
11 brand or brands.

12 (c) For purposes of this section, "beer manufacturer" includes
13 any holder of a beer manufacturer's license, any holder of an
14 out-of-state beer manufacturer's certificate, or any holder of a beer
15 and wine importer's general license.

